

**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION**

IN THE MATTER OF DETERMINING
Whether there has been a violation
of the Business Opportunity Fraud Act of
Washington by:

GSECO, its agents and employees,

Respondents.

SDO - 35 - 01

ENTRY OF FINDINGS OF FACT AND
CONCLUSIONS OF LAW AND FINAL ORDER
TO CEASE AND DESIST

Case No. 00-01-006

THE STATE OF WASHINGTON TO: GSECO
11220 West Florissant - PMB 108
Florissant, MO 63033-6759

STATEMENT OF CHARGES

On February 7, 2000, the Securities Administrator of the State of Washington issued Summary Order to Cease and Desist SDO-15-00 hereinafter referred to as "Summary Order."

The Summary Order, together with a Notice of Opportunity to Defend and Opportunity for Hearing (hereinafter referred to as "Notice of Opportunity for Hearing") and an Application for Adjudicative Hearing (hereinafter referred to as "Application for Hearing") thereon, were served via certified mail on GSECO on February 27, 2000. The Notice of Opportunity for Hearing advised GSECO that it had twenty days from the date it received the notice to file a written application for an administrative hearing on the Summary Order.

GSECO failed to request an administrative hearing within twenty days of its receipt of the Summary Order and Notice of Opportunity for Hearing, either on the Application for Hearing provided or otherwise.

The Securities Administrator therefore adopts as final the findings of fact and conclusions of law as set forth in the Summary Order.

The Securities Administrator makes the following findings of fact and conclusions of law:

FINAL ORDER TO CEASE AND DESIST

DEPARTMENT OF FINANCIAL INSTITUTIONS
Securities Division
PO Box 9033
Olympia, WA 98507-9033
360-902-8760

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FINDINGS OF FACT

I.

GSECO maintains a business addresses at 11220 West Florissant - PMB 108, Florissant, MO. GSECO is the seller of an opportunity involving payment for in-home mail processing.

II.

In September of 1999, Respondent GSECO mailed or caused to be mailed a promotional flyer concerning its' home mail processing opportunity to at least one resident of the state of Washington. The flyer stated, in part:

HELP WANTED! WE NEED HOME MAIL PROCESSORS IMMEDIATELY! . . .
Would you mail our sales brochures for \$5.00 each, **and, get paid before you mail them?** If the answer is yes, our company has a genuine opportunity for you.

The flyer provided that offerees were required to send to Respondent a registration fee of \$40.00. The flyer also provided the following:

Your registration fee will be refunded to you as soon as you mail your first 400 envelopes . . .
COMPARE---- \$2,000 for 400 Stuffed Envelopes + Registration Refund, ALL GUARANTEED!

No other disclosure document containing material information regarding the mail processing opportunity and GSECO accompanied or was referenced in the flyer, including, but not limited to, a current financial statement of the seller.

III.

GSECO is not currently registered to sell its business opportunities in the state of Washington and has not previously been so registered. It is in the public interest that the offer and/or sale of the above-described mail processing opportunity in violation of the Washington Business Opportunity Fraud Act cease.

IV.

The Securities Administrator finds that further sales of unregistered business opportunities in the manner described above presents a threat to the investing public.

Based upon the above Findings of Fact, the following Conclusions of Law are made:

CONCLUSIONS OF LAW

I.

The offer and/or sale of the mail processing opportunity as described above constitutes the offer and/or sale of a business opportunity as defined in RCW 19.110.020(1).

II.

The offer and/or sale of said mail processing opportunity is in violation of RCW 19.110.050(1) because no business opportunity registration was made nor a permit issued to Respondent by the Securities Administrator, prior to the advertising, soliciting, or making of any offer and/or sale of the business opportunity in this state.

III.

The offer and/or sale of said business opportunity was made in violation of RCW 19.110.070 and RCW 19.110.120, the disclosure document and antifraud provisions of the Business Opportunity Fraud Act, respectively, because Respondents failed to provide prospective purchasers a complete disclosure document containing complete material information regarding the mail processing opportunity, including but not limited to a financial statement of the seller.

IV.

The Securities Administrator finds that an emergency exists, that the continued violations of RCW 19.110.050(1), RCW 19.110.070 and RCW 19.110.120 constitute a threat to the investing public, and that an order to cease and desist from those violations are in the public interest and necessary for the protection of the investing public.

ORDER

Based upon the above Findings of Fact and Conclusions of Law, it is hereby:

ORDERED that GSECO cease and desist from violating RCW 19.110.050(1), the registration provision of the Business Opportunity Fraud Act.

It is further ORDERED that GSECO cease and desist from violating RCW 19.110.070 and RCW 19.110.120, the disclosure document and antifraud provisions of the Business Opportunity Fraud Act.

This Order is entered pursuant to RCW 19.110.150 and is subject to the provisions of ch. 34.05 RCW.

WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.

DATED this 4th day of May, 2001.



DEBORAH R. BORTNER
Securities Administrator

Approved By:

Presented by:

Michael E. Stevenson
Chief of Compliance

Chad Standifer
Staff Attorney